

[Mr. SKAGGS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

SIGNS OF A RECESSION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. DUNCAN] is recognized for 5 minutes.

Mr. DUNCAN. Mr. Speaker, yesterday, the front page of the New York Times reported that some members of the Federal Reserve Board "have publicly expressed concern that the economy is now in considerably worse shape than they had expected."

Two days ago, Washington Post columnist James K. Glassman wrote: "Don't look now, but the recession may already have started."

Mr. Glassman wrote that the White House is going to try to convince voters that this is a Gingrich recession, but then he says this:

Such a charge, of course, is nonsense, and it's hypocritical coming from a President whose budget plan isn't so different from that of his adversaries.

Are we in a recession now? Well, the economy lost 101,000 jobs in May. Single family housing starts are at a 2-year low. Unsold inventories have, in the words of the New York Times, risen sharply.

According to Bridgewater Associates, a respected Connecticut firm that measures the economy, retail sales are wretched and second quarter GDP growth is about minus 0.5 percent.

I have spoken at least twice on this Floor about our tremendous problem of underemployment.

If you talk to any of these college graduates who can only find work in fast food outlets or restaurants, if they can find jobs at all, then you would know what I mean. I am sure they would say we are in a recession.

Like all recessions, though, the average consumer will not notice the full effects of this one until several months after it starts.

Thus most people will not notice this one, according to most economists, until very late this year, but really more probably a few months into 1996.

What is the cause of this new recession, or if not a recession, at least this severe slowdown?

Well, I think most people would agree that our obscene national debt of almost \$5 trillion and our continuing deficits, or losses, of almost \$1 billion a day, are the main problems.

Congressman ARMEY, a PhD economist, says the fault lies with the huge tax increase passed by President Clinton and the Democratic Congress in 1993.

Lending credence to this view is John Mueller, chief economist for Lehman Bell Mueller Cannon, Inc. The columnist Glassman says Mueller believes there is a lag time of 2 years between actions of the Federal Reserve Board and their effects.

There is also a similar lag time with most major legislation passed by the Congress, too.

Anyone who blames a recession or economic slowdown in the next year or so on Republicans in Congress is either forgetting or ignoring the obvious.

First, most of the real changes passed by the House have not been passed by the Senate or have not been signed by the President. Most of the actions by the House have not even yet taken effect or actually gone into law.

Second, despite all the publicity about so-called spending cuts, none of these will go into effect until the next fiscal year begins in October.

Even then, the cuts do not exceed the growth in some programs, and thus overall Federal spending continues to go up and will do so every year under the most conservative budget that has been proposed.

Obviously our economy is on thin ice. So, what should we do?

First, we need to drastically reduce the Federal regulatory burden. The most conservative estimates are that Federal regulations now cost our economy approximately \$500 billion each year.

Second, we need to bring Federal spending under control, cut our losses completely, and even start paying off our national debt is the only way to really help the economy, and that is with uninflated dollars.

It is ridiculous that we cannot even balance our budget until seven years from now, at the least. If we balanced the budget right now, we would still be spending over \$1½ trillion by just our Federal Government this year. We would not have a lean government, we would still have a fat, sassy government. A strong, active, vibrant government is what we should have for that kind of spending.

Third, we need to overhaul, and greatly simplify and reform our federal tax code. We should greatly downsize and decrease the power and cost of the IRS.

It is just crazy that our Federal tax laws are so complicated and convoluted. I am told that we waste at least \$200 billion a year in time lost and expense incurred in IRS compliance costs, keeping records, filling out forms, and so forth.

Finally, we need to lower taxes at all levels. The average person—not the wealthy, but the average—pays about half of his or her income in taxes of all types, Federal, State, and local, sales, property, income, excise, Social Security, and so forth.

The least efficient, least economical way to spend money is to have Government do it, because there is no real incentive or pressure on Government employees to work hard and/or save money, as there is in the private sector.

Money left in the private sector creates 2 to 2½ times as many jobs as does money turned over to Government.

Times are good now for some people.

But they could and should be good for everyone.

Our country could be booming beyond belief—people could be doing two or three times as good as they are—if we would do the four things I just mentioned: first, deregulate our economy; second, balance our budget and start paying off the national debt; third, greatly simplify our tax code and basically eliminate the IRS; and fourth, lower the tax burden on our people, at all levels, so they can spend their own money wisely instead of having bureaucrats do it wastefully.

We could be booming, Mr. Speaker, but because real change has not yet taken place, there are many signs that we are headed into a recession that has been produced by our own Federal Government.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut [Mrs. KENNELLY] is recognized for 5 minutes.

[Mrs. KENNELLY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DORNAN] is recognized for 5 minutes.

[Mr. DORNAN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Ms. KAPTUR] is recognized for 5 minutes.

[Ms. KAPTUR addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 5 minutes.

[Mr. OWENS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. SCARBOROUGH] is recognized for 5 minutes.

[Mr. SCARBOROUGH addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

HISTORY OF AGRICULTURE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. SMITH] is recognized for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, we will soon consider a farm bill that warrants an examination of the history of agriculture and a study of the lessons learned. There is linkage